Maricopa County Jail Tax Extension
History of the Issue

The Need for New Detention Facilities

June 1977 — **Federal lawsuit filed** against Maricopa County dealing with overcrowding of pretrial inmates in County jails - **Hart v. Hill** (MCSO) – ruled as class action suit

1980s — **Judgment signed** in Hart v. Hill; **New jails constructed** – Towers Jail (1981); Madison Street Jail (1985)

Early 1990s — **Bond election fails – jails are overcrowded –** County initiates programs to help slow the growth in the pretrial jail population, resulting in Amended Judgment in Hart v. Hill, some new beds come on line

1993-1996 — **Infrastructure crisis** – general infrastructure and major maintenance falls behind due to Maricopa County fiscal crisis and failure of bond issue

1995-1996 — **In-house study of jail and juvenile detention overcrowding crisis** – projections for population exceed capacity - *even with all options to streamline case processing, and adding beds when space and funding permits (such as tents for sentenced offenders) no option other than to build more needed hard beds*

During the 1990s — **County population increases by just under a million**, the greatest increase of any county in the nation – need for all services continues to escalate – County jails hold over 7,000 detainees in system designed for maximum of 5,300

Citizens Committee Findings and Recommendations

1997 — **Citizens Advisory Committee on Jail Planning** formed by Board of Supervisors to assess jail overcrowding crisis and offer recommendations; **Consultant contract awarded** to nationally recognized team of experts to develop Master Plan; Committee held 19 meetings and public hearings on issue

Committee presents findings to Board of Supervisors – cites overcrowding of 40% in adult facilities and 35% in juvenile detention

Maricopa County

www.maricopa.gov/jails

facilities. Increased funding for additional police officers for municipalities results in significant increases in bookings at the County jail. Committee recommended a 15-year, $1.5 billion, three-phase Master Plan to add 5,100 adult and 500 juvenile detention beds, plus specific programs to improve processing in criminal justice and thereby negate the need for another 2,800 and 150 juvenile beds.

Recommended funding in a 'pay as you go' manner, saving millions over a bond issue, by instituting a permanent sales tax of up to 1/3 of a cent during construction, to be reduced afterwards to pay for ongoing operations and maintenance. Explained that construction costs account for approximately 25% of total costs of facility, with 75% allocated for ongoing maintenance and operations over the life of the structure. Confirmed present Sheriff operation is among the lowest cost in the county.

Resulting Public Policy

December 1997 **Board of Supervisors** requests legislative authorization for a public vote to implement the Master Plan recommended by the Citizens Advisory Committee, *including a permanent, dedicated funding stream for capital and operations. Committee recommended an on-going, 1/3 of a cent tax.*

June 1, 1998 **Governor signs bill** allowing Maricopa County to place on the ballot a vote on a jail excise tax. *Significant changes* from Master Plan recommendations made during the legislative process – authority to ***seek temporary, $900 million or 9 year, 1/5 cent sales tax with no continuing funding***

November 1998 **Voters approve Proposition 400** by overwhelming majority (69%) - Master Plan re-programmed to conform with the scaled-down version allowed by the legislature – will construct 3,139 adult and 388 juvenile beds – no continuing funding

Maricopa County Jail Tax Extension History of the Issue

County Implementation of Proposition 400

Board sets policy to use jail tax for capital only since jail tax will sunset after 9 years or $900 million and do not want to fund positions or other needs requiring an ongoing funding stream with a short-term tax

Citizens Jail Oversight Committee established to ensure County government properly implementing Proposition 400 – thus far all reports are positive and show successful implementation by County

All criminal justice construction projects *on schedule and on budget*

Implementing non-structural components of Proposition 400 as possible, balanced against other County priorities since must use general fund dollars – addresses growth in caseloads with improvements and innovations

County setting aside general fund dollars annually to build-up reserve to try to absorb as much as possible of the $85-$100 million required in annual operating expenses once all facilities open. **If general fund revenue growth continued**, all spending controlled and operational costs staged, hoped to be able to fund all as appropriate.

All Proposition 400 projects to be completed and operational by end of 2003– full complement of operational costs exist, yet Jail Tax revenues used only as 'bridge financing' since not lasting fund source

What Has Changed?

Sales tax growth has slowed significantly

Aftermath of September 11, 2001 terrorist attacks contribute to a recessionary-type economy, even worse in Arizona than nationally

Property tax revenues likely to flatten at end of recessionary period

Demand for County services increased and are expected to continue on that trend, as is customary during times of economic recession

Maricopa County Jail Tax Extension History of the Issue

General Fund contributions to the detention fund escalate since 1999 with inflator clause in required maintenance of effort – total investment for FY 2001-02 is $101.2 million, 11.8% increase since tax initiated

Projected detention operational costs greatly exceed plans with increase in detention officer salaries and costs for correctional health care

Why Is An Extension of the Existing Jail Tax Necessary?

The County can only generate resources to pay for these new operating costs in two ways – **generation of revenues or reductions in existing expenses**. The costs associated with these new adult and juvenile jails will be *in excess of* ***$100 million*** *annually*.

The only revenue source controlled by the County Board of Supervisors is property tax. If the Board raised the property tax levy to the constitutional limit or cap, the Board could generate approximately $20 million annually in new revenues.

Approximately **98%** of the County's tax-funded expenditures are **mandated**. The vast majority of our mandated costs are for public safety and health care. The difference between possible new property tax revenues and anticipated jail-operating costs could not be closed with elimination of expenditures. Eliminating our non-mandated programs would result in closure of Maricopa County Parks, elimination of economic development funding, significant reductions in human services programs such as Head Start and job training, and possible closure of the Maricopa Medical Center which receives $13 million. **It would be impossible to generate the resources necessary to fully operate the new jails and juvenile detention facilities without a continuation of the existing jail tax.**

Maricopa County Jail Tax Extension History of the Issue

Arizona State Legislature approves HB 2313 during the 2002 Regular Session

Arizona State Legislature recognizes continuing Maricopa County jail crisis – passes HB 2313

Governor signs bill on May 21, 2002

Legislation sought by Maricopa County Board does not institute a tax – only *allows Maricopa County to seek a public vote* on whether to extend the current jail facilities excise tax, at the current level, for 20 years – allows Maricopa County citizens to decide on the General Election ballot November 5, 2002

Action is what was originally recommended by citizens in Master Plan

Public safety a prime regional, statewide, and national concern

County bond rating increased in 1997, 1999, 2000 to AA, as County pays down debt

Maricopa County ranked one of the two best run counties in the nation in the Government Performance Project (*Governing* magazine, February 2002)

Please visit
www.maricopa.gov/jails
to find this and other information regarding the Maricopa County Jail Tax Extension.

MARICOPA ARIZONA COUNTY

Maricopa County

www.maricopa.gov/jails